

25 September 2014

Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235



positive energy

Dear Mr Pierce

Customer Access to Information about their Energy Consumption (ERC0171)

Energex Limited (Energex) appreciates the opportunity to provide a submission to the Australian Energy Market Commission's (AEMC's) draft rule determination on customer access to information about their energy consumption data (draft rule determination). The draft rule determination seeks comments on a Rule change request received by the COAG Energy Council proposing arrangements to make it easier for customers to access and interrogate their electricity consumption data.

Whilst supporting the intent of the Rule change, Energex has identified some areas for improvement. The AEMC's comments regarding the B2B transaction system enabling DNSPs to verify customer identity and details, has prompted Energex to provide a more detailed explanation in support of its previous comments (see **Attachment 1**). In particular, Energex explains why DNSPs cannot rely on the B2B transaction system to identify if a customer is the current account holder before provision of information or data is released.

Energex is supportive of customer authorised representatives obtaining access to customers' electricity consumption data. However, Energex remains concerned that in practice there may be third party brokers who make a request on behalf of a large volume of customers at the one time, or request data to which they have not received valid customer consent.

A further issue that concerns Energex is that the AEMC has enabled customers to request information about their energy consumption from a DNSP without a time limitation over which that information request is to cover. Energex suggests that a time period of up to 7 years is appropriate in that AEMO requires Meter Data Providers to store data for 7 years before archiving or deleting it. Further, it may be difficult for some DNSPs and retailers to retrieve relevant data beyond a 7 year timeframe.

Lastly, Energex argues that the rule should not be effective until agreed market processes are finalised. Energex strongly believes that starting with a range of different formats, which eventually will be harmonised under the AEMO procedures, increases costs to industry and customers and creates further confusion for customers. Energex suggests the AEMC should consider delaying the commencement date to allow for AEMO to develop the necessary data provision procedures.

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Energex's responses to specific issues in the draft rule determination are outlined in further detail in **Attachment 1**. Should you have any queries regarding this submission, please contact Rachel Leaver, Network Regulation Manager, on (07) 3664 4115.

Yours sincerely

A handwritten signature in black ink, appearing to read "Neil G. Andersen". The signature is fluid and cursive, with a long horizontal stroke at the end.

Neil Andersen
Group Manager Regulation and Pricing

Attachment 1

| Issue | Energex Response |
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| 1. Access to data from DNSPs | <p>Energex remains concerned that it does not have the capacity to identify if a customer is the current account holder before provision of information or data is released. Rather, retailers are the most appropriate entity to correctly identify the customer as they are currently required to have processes in place to confirm the current account holder before personal or confidential information is released.</p> <p>Energex does not accept the AEMC's position that:</p> <p><i>'With respect to practical concerns noted in submissions, we understand that DNSPs are able to verify the identity and details of customers through B2B transactions providing customer details from a retailer'.¹</i></p> <p>Energex understand that perhaps a more detailed explanation of the B2B transaction system is required to help the AEMC understand why it disagrees with the above statement. In Energex's experience the B2B transactions cannot be relied upon to provide correct and up-to-date customer information for the following reasons:</p> <ul style="list-style-type: none">• Even though Energex has the capacity to check the current name on site, it is entirely dependent on the accuracy of the data provided by the retailer through the Customer Details Notification (CDN) process. Many sites have names such as 'customer' or 'site vacant' because the retailer has not provided accurate information. This means Energex cannot verify the customer's identify for privacy purposes.• In many cases Energex is not notified by the retailer of name changes to accounts. This means that Energex only has the previous account holder's name and not the current occupier of a premise. <p>Energex is concerned that should customers request their consumption information from DNSPs, and the information on the DNSPs systems is not up to date, the customer will have to be referred back to its retailer. Otherwise, if the customer's name does not match up to the name that the DNSP has on its system, then the DNSP will have to request that the retailer send through an update about that customer. The customer will then be required to approach Energex again for its data. This will undoubtedly be a very frustrating and time consuming process for the customer.</p> <p>The retailer is already in the best position to provide the customer with this information. To require DNSPs to provide the same data will result in inefficient and costly duplication.</p> |

¹ AEMC Draft Determination: Customer Access to Information About Their Energy Consumption page 12

| Issue | Energex Response |
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| <p>2. Access to data from AEMO</p> | <p>Energex notes the Energy Market Reform Working Group’s (EMRWG) proposal that the AEMC consider the option of allowing customers and authorised service providers to use B2B arrangements to obtain access to ‘consumer energy use data through a common gateway’, namely, AEMO’s MSATS database. Energex agrees with the AEMC’s position that EMWRG’s proposed changes are not appropriate at this present time and may result in inefficient duplication.</p> <p>Energex further notes that as part of its reasoning in dismissing EMRWG’s proposal, the AEMC cited the risk that such a proposal could lead to potentially inefficient duplication across AEMO, retailers and DNSPs. It is for this reason that Energex does not support the AEMC’s proposal to require DNSPs to provide consumption data.</p> <p>Energex raised the issue of inefficient duplication in its response to the Consultation Paper with regard to customers being able to request their energy consumption data from both DNSPs and retailers. Specifically Energex stated:</p> <p><i>‘...the retailer has established processes in place to facilitate customer enquiries and is the appropriate contact for customer enquiries in relation to consumption data. It is for these reasons that Energex does not believe further Rule changes are necessary as current legislation already enables a customer to directly contact either their retailer or the distributor in regard to their consumption data’.</i>²</p> <p><i>‘...Energex questions why further amendments are required, particularly as current retailer processes and systems already support customer requests for consumption data’.</i>³</p> <p>For the same reasons the AEMC has raised in relation to the EMRWG’s proposal, Energex requests that the AEMC reconsider the proposal for DNSPs to provide customers with energy consumption data.</p> |
| <p>3. Allowing a person authorised by a customer to access data</p> | <p>Energex is supportive of customer authorised representatives obtaining access to customers’ electricity consumption data. However, it remains concerned that in practice there will be some third party brokers who:</p> <ol style="list-style-type: none"> 1. will request large volumes of requests at the one time, and /or 2. request data to which they have no actual, valid customer consent. <p>Energex acknowledges that a customer may authorise a ‘customer representative’ to act on their behalf. However, that consent may not be in relation to the representative</p> |

² Energex Letter of Response to AEMC Consultation Paper: Customer Access to Information about their Electricity Consumption (ERC0171) page 2.

³ Attachment 1 to Energex Letter of Response to AEMC Consultation Paper: Customer Access to Information about their Electricity Consumption (ERC0171) pages 1-2.

| Issue | Energen Response |
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| | <p>requesting that customer's data. Energen suggests that in some cases the customer would be totally unaware that the representative has accessed their data and the application of that data.</p> <p>To overcome the two issues above, Energen suggests the following:</p> <ol style="list-style-type: none"> 1. bulk requests be considered above the minimum requirements, therefore allowing DNSPs to charge a reasonable fee to respond in a timely manner, and 2. customer representatives be required to prove that they have the customer's consent in writing for that particular request for data, or 3. the AEMC give consideration to drafting a rule where customers must request the data themselves directly through DNSPs and at the customer's endorsement, send the data to a nominated representative. |
| <p>4. Format of data – detailed and summary format</p> | <p>Energen supports a standard data format for both the requesting and provision of data and will work with industry to create the suitable formats for the benefit of the customer and industry in cost and timeframes to produce.</p> |
| <p>5. Duration of time over which data requests should cover</p> | <p>Energen does not believe it is appropriate to enable customers to request information about their energy consumption from a DNSP without a time limitation over which that information is to cover.</p> <p>Energen suggests that a time period of up to 7 years is appropriate in that AEMO requires MDPs to store data for 7 years before archiving or deleting it.</p> |
| <p>6. Timeframe for retailer and DNSP to respond to a data request</p> | <p>Energen supports a 10 business day timeframe and that the obligation to respond within this period should be a 'reasonable endeavours' obligation.</p> <p>Energen believes that it's important to deem the timeframe to be a 'reasonable endeavours' obligation because third brokers can be deemed customer authorised representatives and submit requests on behalf of numerous customers, which would flood the system with data requests for thousands of customers at one time.</p> |
| <p>7. When data requests are free of charge or subject to a reasonable fee</p> | <p>Energen supports a reformulation of the draft rule to allow customers to receive their data free of charge up to 4 times over a 12 month period. Energen agrees with the AEMC that expressing the minimum requirement in this way would allow customers to give free access to their data to up to 4 energy service providers within a 12 month period. This would enable a customer to receive a range of quotes and can compare product and service offerings between providers.</p> <p>Energen also suggests that the AEMC consider amending the draft rule as discussed under issue 4 above.</p> |

| Issue | Energen Response |
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| | Energen notes and agrees with the AEMC's position that a reasonable fee could be charged for data requests that are above minimum requirements or more often than the stipulated period. Energen suggests that the AEMC consider redrafting the NER and NERR to reflect this position. |
| 8. Application of clause 56A of the NERR to large customers | Energen is supportive of the NERR only applying to small customers and suggests that clause 86(1) of the NERR be amended to also reflect 'small customer'. |
| 9. Timeframe for AEMO to make and revise procedures | <p>Energen supports the proposed 3 month timeframe in which to transition to AEMOs data provisions procedures.</p> <p>Energen understands the AEMC is proposing that should the rule be made, it will take effect immediately on the date the rule is made⁴. Energen does not support the introduction of the rule without agreed market processes being implemented.</p> <p>Energen questions whether there is any real benefit for customers being able to access but not understand the data they are provided by service providers. Energen strongly believes that starting with a range of different formats, which eventually will be harmonised under the AEMO procedures, increases costs to industry and customers and creates further confusion for customers.</p> <p>Energen suggests the AEMC should consider aligning the commencement date with the 3 month timeframe above.</p> |

⁴ AEMCO Draft Determination: Customer Access to Information about Their Energy Consumption page 28.